



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

SEP 07 2017

THE INSPECTOR GENERAL

The Honorable Mick Mulvaney
Director
Office of Management and Budget
Executive Office of the President
Washington, D.C. 20503

Dear Mr. Mulvaney:

As you are aware, the Inspector General Act of 1978, as amended, 5 U.S.C. app. 3, § 6(g)(2), provides that:

In transmitting a proposed budget to the President for approval, the head of each establishment or designated Federal entity shall include-...(D) any comments of the affected Inspector General with respect to the proposal.

The proposed fiscal year (FY) 2019 budget creates a significant challenge for the U.S. Environmental Protection Agency's (EPA's) Office of Inspector General (OIG) and its ability to accomplish its agency oversight mission. The Office of Management and Budget (OMB) request utilizes the President's Budget FY 2018 as the basis for the FY 2019 submission. However, it is unlikely that the President's Budget will stand in Congress as evidenced by the appropriation passed by the House of Representatives for the EPA OIG. A budget at this level would destabilize the OIG and have an immediate negative impact on the OIG's production capacity. As such, I do not agree with the OMB budget request, and argue that such a proposal would substantially inhibit the OIG from performing the duties of the office, including mandatory OIG responsibilities explicitly required by federal law.

The OIG's primary deliverables are audits, program evaluations, and criminal and employee misconduct investigations. All of these activities are labor intensive. A budget of \$41 million will virtually eliminate the OIG's ability to perform discretionary audits and program evaluations. These services assist EPA leadership and Congress, help to hold the agency accountable, and are valuable management tools that represent a substantial source of the OIG's ability to produce a positive return on investment to taxpayers. Further, the OIG's mandatory audits and investigations are not performed by any other entity within the EPA. As such, untimely products due to limited resources create an unacceptable risk to the agency and to the taxpayers' investment.

I urgently and respectfully request that OMB recognize the work the EPA OIG has done in reshaping the workforce, and the greater vulnerability to the agency that any reduction of OIG funding would create, along with the loss of return on investment it would represent. I also request that the OIG's budget request of \$62 million, which is consistent with my FY 2017 request, be recognized. If not, as provided

by the Inspector General Act, I request that these comments be included in transmitting this proposed budget to the President.

If you or your staff have any questions, or would like to meet to discuss this matter, you may reach me at (202) 566-0847 or elkins.arthur@epa.gov.

Sincerely,

Charles J. Shuman (for AAE)

Arthur A. Elkins Jr.

cc: Michael Horowitz, Chair, Council of the Inspectors General on Integrity and Efficiency
Kevin Minoli, Acting General Counsel, EPA
David Bloom, Acting Chief Financial Officer, EPA